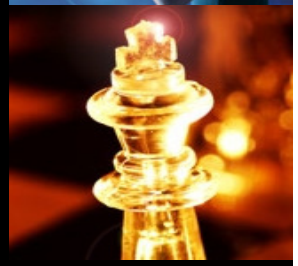
STOP FOLLOWING. START LEADING.



Taking Charge of Change

31st January 2008

STOP
FOLLOWING.
START
LEADING.

IBM Client experience

31st January 2008

Derek Hobbs
Head of Research & Marketing, DVLA

Jeremy Forshew
DVLA Transformation Director, IBM Global Business Services

Driver and Vehicle Licensing Agency

Agenda

- The Driver & Vehicle Licensing Agency
- Drivers for change
- Immediate challenges in 2002
- What we have achieved to date
- Key challenges we‘re facing now
- Implications for IT decision makers
- Electronic Vehicle Licensing – a success story

Driver and Vehicle Licensing Agency

Is this what you think of DVLA?

Driver and Vehicle Licensing Agency

32,984,753 live vehicle records

Driver and Vehicle Licensing Agency

41,299,699 live driving licence records

An executive agency of the Department for Transport

Driver & Vehicle Licensing Agency

- Mission is focused on contributing to improved road safety, reduced crime, improved environment and better customer experience
- Collection and use of driver and vehicle data
- Trading Fund - £5.22b VED collection and £613m income
- 6,000 staff in Swansea and across 43 Local Offices
- 137million transactions (including 28m phone calls)
- Sell 222,000 registration marks each year
- Receive 20.2 million items of mail per year
- Wide range of stakeholders across government

Drivers for change

- **Efficiency** – reducing headcount and cost of service
- **Accuracy and compliance** – collecting Vehicle Excise Duty, 40m driver and 32m vehicle records
- **Customer service** – meeting expectations, introducing new services

- ...reflected in:
- 8 Secretary of State targets, mostly operational
- A myriad of milestone objectives, eg delivering 60% of services electronically, Charter Mark, etc

Performance against Targets

Secretary of State Targets 2006–07

Immediate challenges in 2002

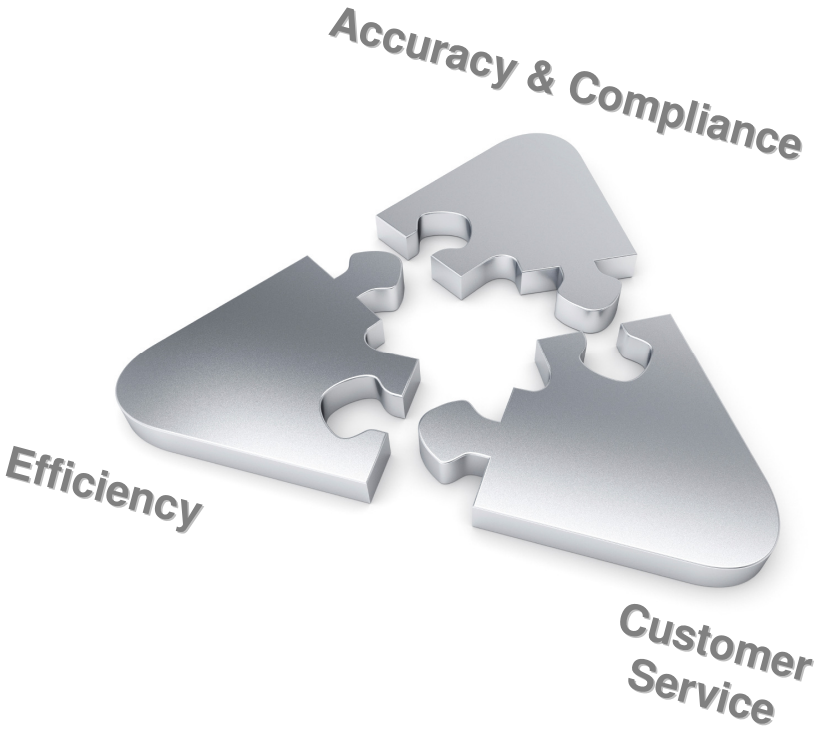
High business impact

- Change priorities unclear
- No IT strategy
- Under investment in IT
- No programme management
- Large volume of uncoordinated change
- No understanding of capacity for change
- New kind of relationship
- New electronic services

High priority

What we have achieved

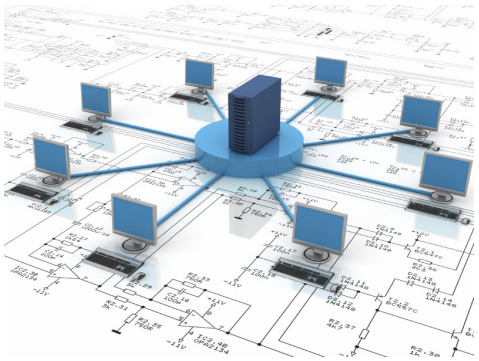
- Change priorities unclear
- No IT strategy
- Under investment in IT
- No programme management
- Large volume of uncoordinated change
- No understanding of capacity for change
- New kind of relationship
- New electronic services



What we have achieved

- Change priorities unclear
- No IT strategy
- Under investment in IT
- No programme management
- Large volume of uncoordinated change
- No understanding of capacity for change
- New kind of relationship
- New electronic services

- Target architecture defined – Service Oriented Architecture driven from Component Business Model
- New ‘products’ use common, channel independent services
- Priority technical refresh completed
- Core business systems stabilised



What we have achieved

- Change priorities unclear
- No IT strategy
- Under investment in IT
- No programme management
- Large volume of uncoordinated change
- No understanding of capacity for change
- New kind of relationship
- New electronic services

- Target End States
- 5 year rolling routemap
- 2 year detailed, resource constrained delivery plan
- Programmes & programme management
- Focus on release management
- Cross-programme development, support & maintenance pool

What we have achieved

- Change priorities unclear
- No IT strategy
- Under investment in IT
- No programme management
- Large volume of uncoordinated change
- No understanding of capacity for change
- New kind of relationship
- New electronic services

What we have achieved

- Change priorities unclear
- No IT strategy
- Under investment in IT
- No programme management
- Large volume of uncoordinated change
- No understanding of capacity for change
- New kind of relationship
- New electronic services

An executive agency of the Department for Transport

Driver and Vehicle Licensing Agency

Key challenges we're facing now

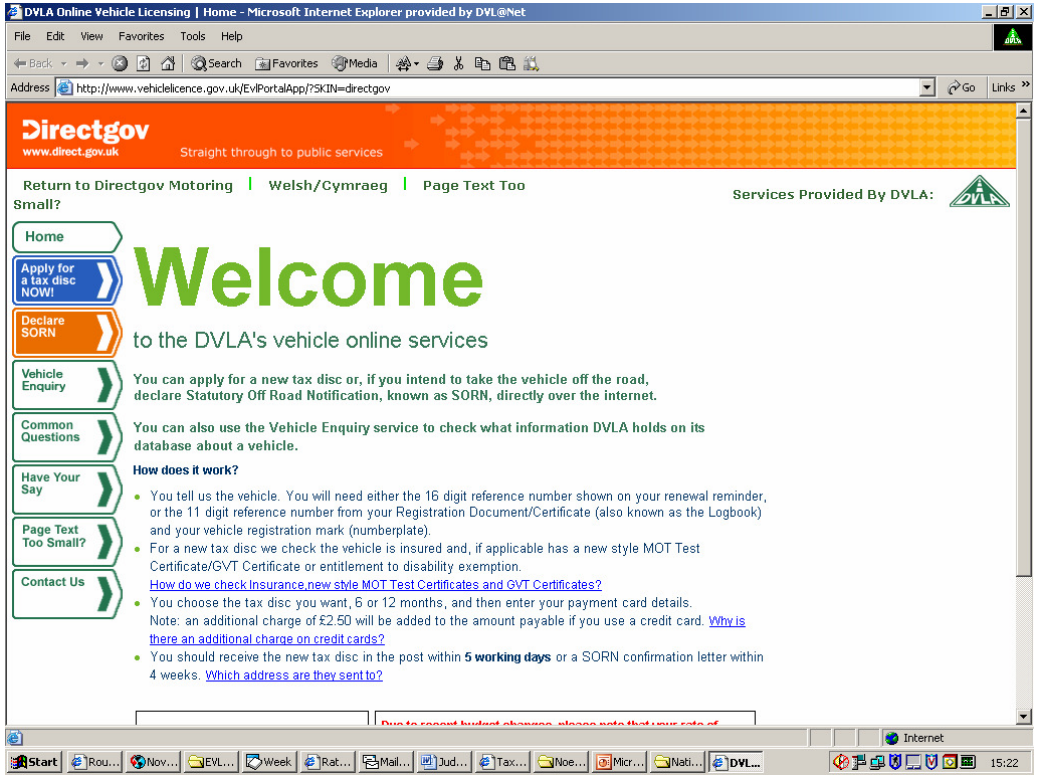
- Improve business ownership of and accountability for change
- Drive early challenge and innovation
- Formalise business change management approach
- Maintain BAU alongside change programme
- Deploying SOA and BPM to bridge the business-IT gap
- Maximise value from legacy investments through extending life

Driver and Vehicle Licensing Agency

Implications for IT decision makers

- Plan, design and build for the long term
- Focus on flexibility and re-use
- Engage early with end to end (business) service owners
- Plagiarism versus innovation
- Form a clear view of preferred engagement model with suppliers
- Identify the bottlenecks and drive pace

Electronic Vehicle Licensing



- Ability to tax your vehicle, or declare off the road (SORN), online or by phone
- Available 24x7
- No need to find MOT or insurance documents
- Built for forecasted take-up of 39% by 2015

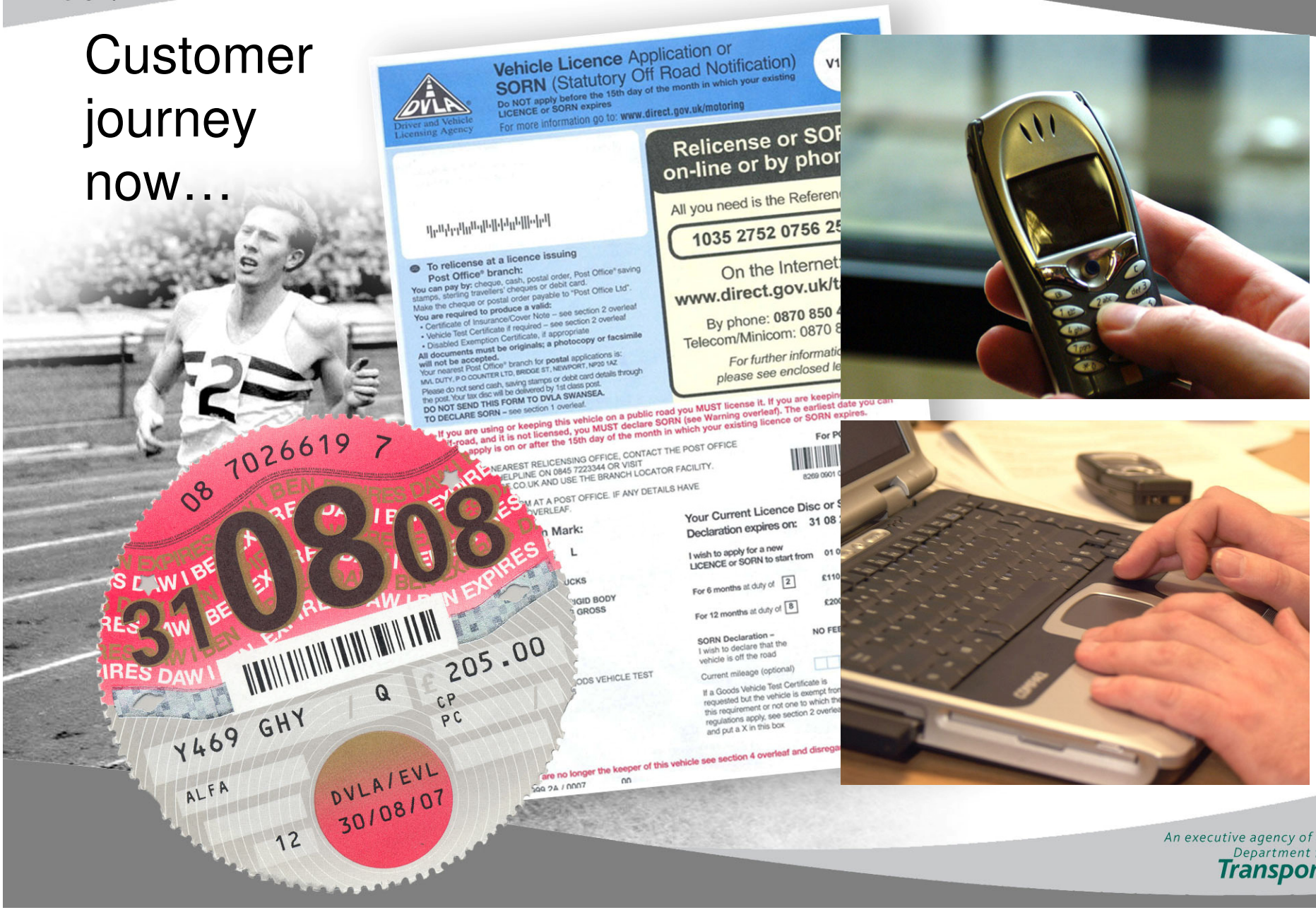
Driver and Vehicle Licensing Agency

Customer journey before…

An executive agency of the Department for Transport

Driver and Vehicle Licensing Agency

Customer journey now…



Driver and Vehicle Licensing Agency

How does it work?

Benefits to our customers

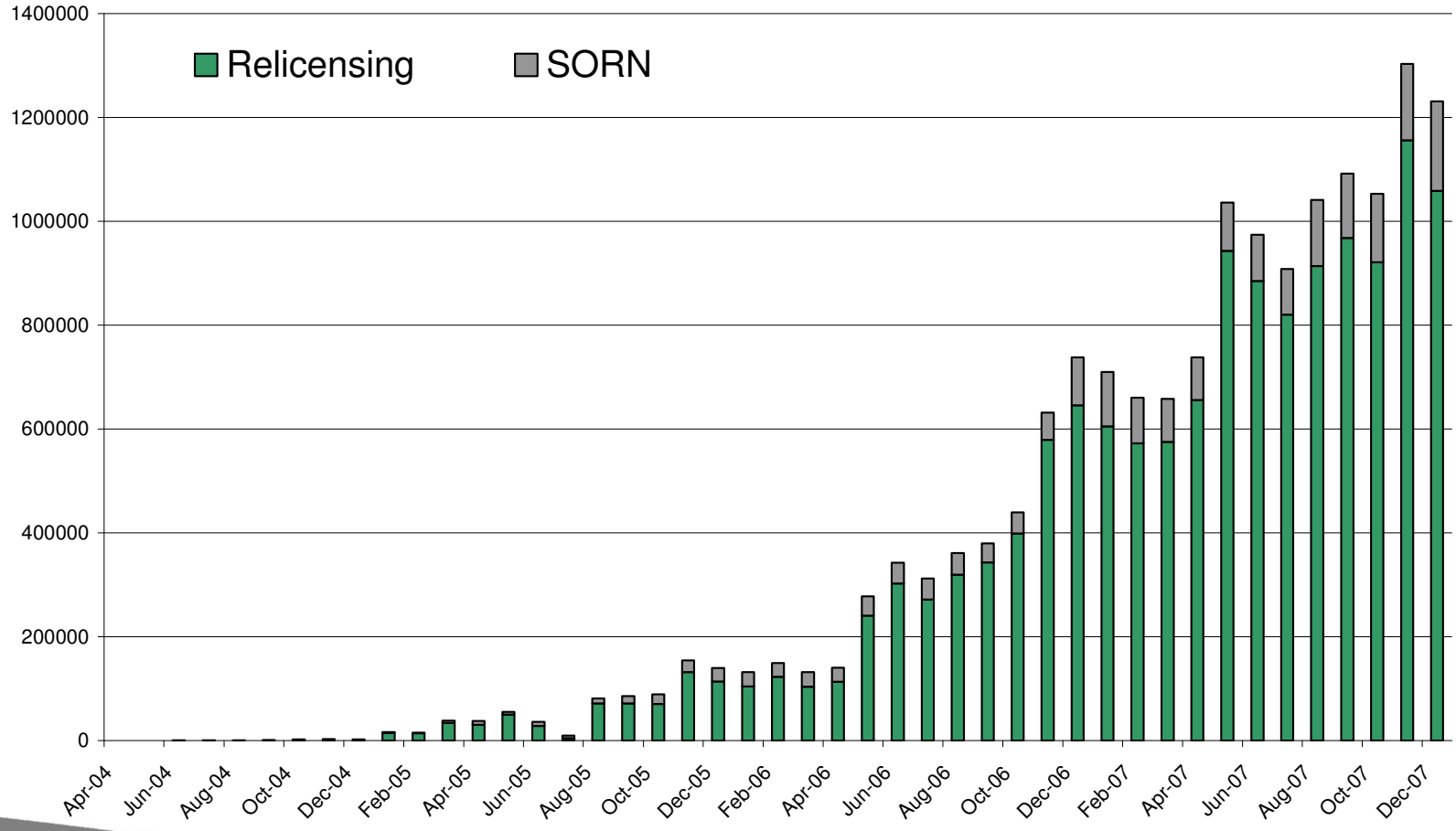
- 24x7
  - 40% use the service out of office hours
  - 2199 on Christmas Day
- 25% of customers use the phone service
- Ease of compliance
  - 70% of motorists admitted they delayed taxing their vehicle because they could not find the paperwork
- Internationally available
- Four minutes to complete a transaction

Benefits to DVLA

- Major financial savings in the cost of collecting Vehicle Excise Duty (VED)
- Electronic channels are 30% cheaper than paper, and continuing to get cheaper
- Major contribution to Gershon and Comprehensive Spending Review efficiency targets
- Provides 24x7 ability to comply with the law – making compliance easier

Driver and Vehicle Licensing Agency

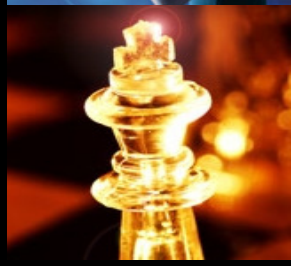
EVL volume growth to end 2007



Results so far…

- DVLA is now one of the biggest online retailers in the UK
- >1 million transactions a month are now processed electronically
- Up to £10 million a day collected online (>£1 billion so far)
- Already over 30% of customer base transact electronically
- Repurchase rate of 91% initially, now showing to be closer to 98%
- 100% of customers surveyed after completing their transaction said they were likely or very likely to recommend the service to a friend

STOP
FOLLOWING.
START
LEADING.



Taking Charge of Change

31st January 2008